



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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August 4, 1997

Tony Bates
Mine Reclamation Manager
Umetco Minerals Corporation
P.O. Box 1028
Grand Junction, Colorado 81502

Re: Temporary Retention Pond, Umetco Minerals Corporation, Deremo-Peterson Mine,
M/037/025, San Juan County, Utah

Dear Mr. Bates:

Thank you for the letter and map describing the proposed pond sent by fax to the Division on August 1, 1997. The letter was a follow up to our telephone discussion of July 23, 1997. The proposed retention pond is to be constructed within Utah to control sediments during reclamation of mine features within the state of Colorado. The pond is a temporary measure to control sediments from the reclaimed areas until they are stabilized. From the map it appears that the maximum area affected when (if) the pond is full would be one half acre or less.

A review of the Division files for the Deremo-Peterson Mine reveals the following information regarding the current permit status:

The reclamation surety is a Mined Land Reclamation Contract for a maximum of seven acres of disturbance with an estimated reclamation cost of \$33,332.

The actual surface disturbance estimated for the site as of the annual report for 1996 is approximately six acres. Three acres of reclamation earthwork were recently completed, but these areas have not yet been released.

Given the current permit status and the fact that this proposed structure is temporary, the Division grants approval to proceed with construction of the temporary retention pond. Umetco will need to reclaim the retention pond area as part of final site reclamation as stated in your letter.

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If you have any questions regarding this letter please call me at (801) 538-5267 or contact Wayne Hedberg at (801) 538-5286. Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "Anthony A. Gallegos". The signature is fluid and cursive, with the first name "Anthony" and last name "Gallegos" clearly distinguishable.

Anthony A. Gallegos
Senior Reclamation Specialist

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